

Respondent.

ASSURANCE OF VOLUNTARY COMPLIANCE

STATE OF IOWA ex rel. Thomas J. Miller, Attorney General of Iowa, by Layne M. Lindebak, Assistant Attorney General of Iowa (hereinafter "the Attorney General"), and Linx Communications and Linx, Satellite, Inc. (Linx), enter into this Assurance of Voluntary Compliance pursuant to Iowa Code § 714.16 (2009), the Iowa Consumer Fraud Act, and Iowa Code ch 555A., the Door-to Door Sales Act.

1. The term, "Respondents," as used herein shall apply to Linx Satellite, Inc., and to its investors, owners, agents, employees, directly or indirectly, individually or in concert with others, through any corporate or other device.
2. The term, "Consumer(s)," as used herein shall apply to both potential purchasers of merchandise as well as actual purchasers of said merchandise.
3. Linx Satellite, Inc., is a Utah corporation with its primary place of business of 1875 N. 1120 W. Provo, UT; 84604. It is not registered to do business in Iowa.
4. Respondents engaged in the business of marketing and selling merchandise¹, including satellite television subscriptions resulting in contracts for both DISH Network and DirecTV, through sales presentations in the homes of Iowa consumers.
5. The Attorney General has received several formal complaints against the

¹ The term, "merchandise," as used herein, is as defined in Iowa Code § 714.16(1)(i).

Respondents, as well as additional informal inquiries, from Iowa consumers. Respondents have, over time, responded to consumer complaints made to the Attorney General in a manner acceptable to the Attorney General. Despite that cooperation, however, the Respondent has not resolved the violation of the three day notice of right to terminate provided to consumers under Iowa Code.Ch 555A. Respondents continue to use forms and practices which do not comply with Chapter 555A.

ALLEGATIONS

6. The Attorney General alleges that, in the course of soliciting sales of merchandise, Respondents violated the Iowa Consumer Fraud Act by:

- a. failing to comply with Iowa Code Chapter 555A (Iowa Door to Door Sales Act) by failing to provide customers with a three day notice of right to cancel, or by providing a notice which does not comply with the requirements for the notice as set out in the statute,
- b. failing to comply with Iowa Code Chapter 555A (Iowa Door to Door Sales Act) by failing to complete the Notice of Cancellation by entering the name of the seller, the address of the seller's place of business, the date of the transaction, and the date, not earlier than the third business day following the date of the transaction by which the buyer can give notice of cancellation as required by Iowa Code § 555A.4 (1)
- c. failing to inform the buyer orally, at the time the buyer signs the contract , of the buyer's right to cancel, as required by Iowa Code §555A.4(3).

7. The Attorney General contends that the above-noted acts, statements and omissions by Respondents in relation to efforts to sell merchandise to Iowa consumers constitute "unlawful acts" pursuant to Iowa Code §714.16(2)(a), and thus violate the Consumer Fraud Act.

8. Respondents dispute the Attorney General's allegations. This Assurance is intended to resolve the dispute between the Attorney General and Respondents. In entering into this

Assurance, Respondents admit no liability whatsoever under the Consumer Fraud Act or any other law.

RESOLUTION

9. Respondents agree to comply with the following conditions from the date of the signing of this Assurance:


- a. Respondents shall comply in all respects with Iowa Code Chapter 555A (Iowa Door to Door Sales Act), a copy of which is attached to this Assurance as "Exhibit A".
- b. Respondents shall not make any deceptive² or untrue representations to any consumer, including, but not limited to any representation of the cost, add-ons, surcharges, fees, or services included in the sale of a contract for the purchase of satellite television service, including any fees which may be charged upon termination or cancellation of the service contract.
- c. Respondents shall timely respond to consumer complaints received from consumers, or from any third party on behalf of the consumers, including, but not limited to, the Attorney General of Iowa, within ten (10) business days from receipt of the complaints. Failure to respond to any complaint within the 10-day limit shall create the irrebuttable presumption that the consumers are entitled to a full cancellation of any contract as well as a full refund of any funds paid by consumers.

10. Respondents agree that a violation by Respondents of any requirement of this Assurance shall constitute a violation of the Iowa Consumer Fraud Act, Iowa Code § 714.16; and that violations by Respondents of any requirements of this Assurance shall constitute a violation of this contractual agreement with the State entitling a court to impose civil penalties against Respondents pursuant to Iowa Code § 714.16(7) as if the Respondents had violated a court injunction.

11. Respondents agree that this Assurance shall not in any way bar the Attorney General from taking further action regarding Respondents' solicitation of sales or sales of merchandise.

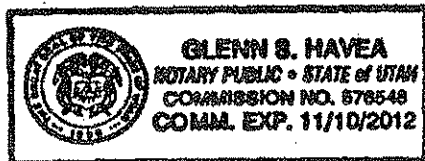
² The term "deceptive" or "deception," as used herein, is as defined in Iowa Code § 714.16(1)(f).

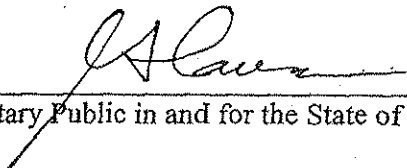
12. The parties agree that this Assurance will become binding and effective on Respondents when signed by authorized persons representing Linx. Signature by a person purporting to represent Linx constitutes a representation by the person that he or she is authorized to enter into this agreement and bind the companies.



Kyle DeMordaunt
For Linx Satellite, Inc

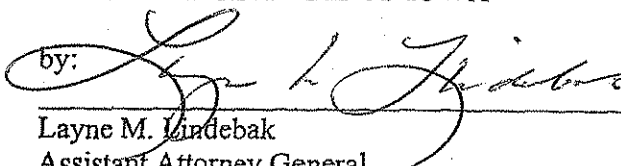
Executed before the undersigned Notary Public on this 22 day of October 2010.





Notary Public in and for the State of Utah

THOMAS J. MILLER,
ATTORNEY GENERAL OF IOWA

by: 

Layne M. Lindebak
Assistant Attorney General
Iowa Department of Justice
Special Litigation Division